



# FloorPrep

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Legislative Digest

Thursday, April 6, 2000

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J.C. Watts, Jr.  
Chairman  
4th District, Oklahoma

*House Meets at 10:00 a.m. for Legislative Business*

*Anticipated Floor Action:*

**H. R. 1776—The American Homeownership and Economic Opportunity Act of 2000**

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**H.R. 1776—American Homeownership and Economic Opportunity Act**

**Floor Situation:** The House will consider H.R. 1776 as its only order of business today. Yesterday, the Rules Committee granted a structured rule that provides one hour of general debate equally divided between the chairman and the ranking member of the Committee on Banking and Financial Services. It makes in order a committee amendment in the nature of a substitute as base text. The rule makes in order only those amendments printed in the report and listed below and waives all points of order against the amendments and provides for a motion to recommit with or without instructions. The time on each amendment is to be equally divided and controlled by the proponent and an opponent.

**Summary:** H.R. 1776 contains initiatives that encourage more American families to purchase homes. This bill enables state and local governments to remove some of the regulatory barriers involved in homeownership by requiring all federal agencies to conduct a housing impact analysis which will insure that regulations do not curtail the availability of affordable housing. It allows local nonprofit and community development group involvement in municipal housing issues. The bill also gives teachers and uniformed municipal employees access to Federal Housing Administration (FHA) financing, including incentives for law enforcement officials to buy homes in high crime areas.

The bill enables people who receive federal housing assistance to use these funds for a down payment or a monthly mortgage. Additionally, the measure includes the text of H.R. 1710 (the Manufactured Housing Improvement Act). This insures that construction standards are kept up to date and authorizes the Department of Housing and Urban Development (HUD) to regulate state and local government policies to keep them at the uniform federal standard. Finally, the bill includes provisions from H. R.

815 (American Community Renewal Act). These provisions allow HUD to transfer unoccupied and substandard housing to local governments and community development corporations to revitalize lower income communities.

**Views:** At press time the views of the administration were unavailable to the *Legislative Digest*.

### **Amendments:**

**Mssrs. Leach, LaFalce, Lazio and Frank (#29)** may offer an amendment, debatable for 20 minutes, that would include law enforcement officers and firefighters in the bill's provision which covers teachers under the Community Partners Next Door Program. It also includes a Risk-Sharing Demonstration program in Section 206 of the bill, which amends Section 249 of the National Housing Act and allows community development financial institutions, along with private mortgage insurance companies, to engage in risk-sharing activities with HUD's Federal Housing Administration (FHA) single family mortgage insurance programs. The Report on Title I Home Improvement Loan Program amends Section 211 of the bill to require a report, within 3 months after the date of enactment, on the Title I Home Improvement Loan Program with recommendations for improvements.

The amendment expands housing assistance for native Hawaiians by extending to them the same types of federal housing programs available to American Indians and Alaska Natives. The provision would authorize appropriations for block grants for affordable housing activities and for loan guarantees for mortgages for owner- or renter-occupied housing and would authorize technical assistance in cases where administrative capacity is lacking. These block grants would be provided by the Department of Housing and Urban Development (HUD) to the Department of Hawaiian Home Lands and an agency of the government of the state of Hawaii.

The Rural Housing Section 538 Technical Amendment Amends Section 1006 of the bill by striking subparagraph (u)(2) that allows the USDA Secretary to use excess guarantee fees to offset administering costs which were included by the Ways & Means Committee.

The manager's amendment incorporates several changes to Title XI. Some provisions enhance the Secretary of HUD's authority over the appointment of members to the consensus committee. For instance, the amendment requires that the administering organization "recommend" consensus committee members to the Secretary as opposed to "appointing" members to the consensus committee contingent upon approval by the Secretary. HUD also requested that "to the maximum extent possible," in establishing model standards for an installation program, the Department should take into account the factors described in 604(e) of the 1974 Manufactured Housing Act.

Further changes were made to the bill at the request of Members of Congress and certain interest groups such as the National Governors Association and the American Society of Civil Engineers. For example, the manager's amendment:

- Clarifies the findings and purposes section of the bill by inserting language to protect the

quality, durability, safety and affordability of manufactured homes and protect residents with respect to personal injury and the amount of insurance costs and property damage in manufactured homes.

- Addresses concerns over states' rights issues regarding primary inspection agencies' (IPIAs) roles in inspecting homes at the manufacturing plants and monitoring homes once they reach retail sites. One provision clarifies the definition of IPIAs, and another protects states' rights to allow IPIAs to re-inspect the homes on retail lots.
- Incorporates language to address concerns about changes in the distribution of manufactured program fees to states. The change provides that states receive amounts that are not less than the allocated amounts under the fee distribution system in place prior to the effective date of this Act.
- Addresses concerns of conflicts of interests by requiring the Secretary retain at least three separate and independent contractors to carry out the work of Title XI. As soon as the new installation and dispute resolution programs are in place, the Secretary must retain at least four separate and independent contractors.
- Expresses the sense of the Congress that the HUD Secretary should consult with other agencies to make additional properties available for law enforcement officers, teachers, and fire fighters.
- Clarifies Title VI of the bill as it relates to the selection criteria for the Homeownership Zone Grant program and provides that HUD may not reject an applicant who meets the selection criteria solely on the basis that the homeownership zone is located in an unincorporated area.
- Extends homeownership counseling statutes through September 30, 2005 that require a notice, within 45 days of delinquency, to homebuyers on their payment status and provides information about housing counselors in the area.
- Adds pre-kindergarten teachers to Sec. 203—"Reduced downpayment requirements for loans for teachers and uniformed municipal employees," consistent with other similar provisions in the bill.

In addition to the above changes the manager's amendment incorporates several technical changes including grammatical changes, date changes and references to the U.S. Code. **Staff Contact: Shawn Cassidy- x57502**

**Mr. Coburn (#21)** may offer an amendment, debatable for 20 minutes, that strikes sections 203, 404 and 505 of the bill. The reported bill allows mayors to use CDBG funds to aid municipal employees to buy homes as long as they live within the community and their income does not exceed 115% of the median area income. **Staff Contact: Joanna Cook- x52701**

**Mr. Rush (#6)** may offer an amendment, debatable for 10 minutes, that adds nurses to the first-time homebuyers able to receive grant amounts in helping buy a new home. **Staff Contact-x4372**

**Mr. Coburn (#24)** may offer an amendment, debatable for 10 minutes, that expands the accessibility of housing assistance under Section 203 to individuals who are (1) employed by a tax-exempt entity, (2) employed by the Federal Government, (3) members of an organization subject to the jurisdiction of the NLRB, (4) individuals who have financial interest in a small business, and (5) qualified for child care tax credits. Thus, the amendment expands government services to a broader number of groups than under the committee bill. *Staff Contact: Joanna Cook- x52701*

**Mr. Andrews (#18)** may offer an amendment, debatable for 10 minutes, that requires that anyone who certifies an FHA financed home for energy efficiency must be accredited by the Home Energy Ratings System Council, the Residential Energy Services Network or other national institutions that are deemed suitable to issue certification. *Staff Contact: Charles Matthews- x56501*

**Mr. Weygand (#14)** may offer an amendment, debatable for 10 minutes, that increases the loan limit for the Title I single family home improvement program from \$25,000 to \$32,500 to reflect the increase in housing material costs since 1991 when the limit was last increased. *Contact: x52735*

**Ms. Waters (#27)** may offer an amendment, debatable for 20 minutes, that strikes language in Title IV which raises the CDBG income eligibility for a median household income to 150% and 115% and brings it back down to the existing level. *Staff Contact: Okyeame Haley- x52201*

**Mssrs. Shays, Nadler, Crowley and Ms. Morella (#8)** may offer an amendment, debatable for 20 minutes, that increases the funding authorization for the Housing Opportunities for Persons With Aids (HOPWA) program from \$260 million to \$292 million for fiscal year 2001. *Staff Contact: Katie Levinson- x55541*

**Mr. Paul and Ms. Kilpatrick (#13)** may offer an amendment, debatable for 10 minutes, that prohibits the use of CDBG funds for any activities that are conducted in relation to acquisition of “church” property as defined by the Internal Revenue Service unless the consent of the church’s governing body is obtained. *Staff Contact: J. Bradley Jansen- x52831*

**Mr. Traficant (#1)** may offer an amendment, debatable for 10 minutes, that authorizes a \$35 million Community Development Block Grant to be available in fiscal year 2001 for the construction of a convocation and community center in Youngstown, Ohio. *Staff Contact: Paul Marcone- x55261*

**Mr. Souder, (#12)** may offer an amendment, debatable for 20 minutes, that enables religious organizations to compete for the block grants in the same way as private organizations. *Staff Contact: Terri Hasdorff- x54436*

**Mr. Miller (#20)** may offer an amendment, debatable for 10 minutes, that modifies the eligible local housing definition for the HUD Public Housing Drug Elimination Program Grants. This includes local housing authorities that can show evidence, through efforts between the housing authority and police department, that they were able to eliminate drug and crime problems in public housing in the area.

**Staff Contact:** *John Cusey- x53201*

**Additional Information:** See, *Legislative Digest* Vol. XXIX, #9, March 31, 2000

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